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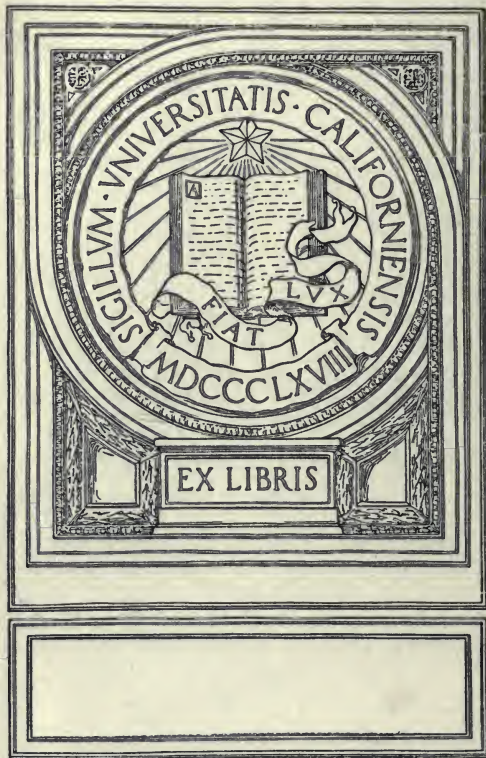
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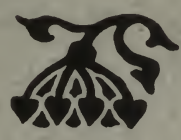


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Mr. Minn, Charles W.

Indian Trade and  
Bullion Export in the  
Eighteenth Century.





*Indian Trade and*  
*Bullion Import in the*  
*Eighteenth Century.*

UNIV. OF  
CALIFORNIA

BY

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## PREFACE.

This little pamphlet is simply a chapter from my forthcoming work on the Wealth of India, and I bring it out not because it is complete, but because much more is required in order to give a satisfactory account of the very fitful economic progress of India during the eighteenth century. One at any rate of my authorities, Raynal's Statistical Atlas published in 1770, has apparently never been seen by any historian of India; no copy of Raynal which I have ever seen, there are several in Calcutta libraries, contains this atlas, which supplies from official sources the statistics of the three Companies—English, French and Dutch, from the earliest date.

Milburn published two ponderous tomes full of trade statistics, jumbled up in the greatest confusion—India and China sometimes separate, sometimes united, the facts for different periods for the same trade scattered over the two volumes; there is nowhere continuity of treatment for India nor any solidarity of principle. Sometimes a trade is given under a geographical heading, such as Calcutta or Canton, sometimes under a subject heading like tea or piecegoods: bewildering confusion is the result. Mill depended for his account of the trade mainly on Milburn, and, as a result, his treatment is fragmentary and imperfect.

Montgomery Martin in his "Colonies of the British Empire" gives figures which are probably reliable from 1802, but which are apparently erroneous for the period with which I am dealing. Whitworth's tables which Mill quotes are reproduced in Raynal, but I think imperfectly. In fact this little brochure is intended to show the defects of my work and to elicit help from others. I have spent

hundreds of hours over these authorities, trying to reconcile them and complete the narrative.

The broad features of the eighteenth century trade are, however, clear enough. The net bullion imports into India during the eighteenth century were not above fifty millions sterling; that is the sum which India pocketed and put past; since the nineteenth century began India has put away, it is to be hoped in safe custody, about four hundred and fifty millions sterling. I admit that is not a very large sum per head of the population, but the contrast between the periods before and after, since England in 1803 became the ruling power, is marvellous; and should encourage all those who are zealous for the people's good and for peaceful progress under a sway which now at any rate is benign.

Since the above was printed, Sir Edward Law and His Excellency have referred to this subject in the Budget speeches.

The facts may be further detailed.

Net Import of bullion in millions sterling into India.

1701—1801	...	...	50
1802—1834	...	...	69 $\frac{3}{4}$
1835—1904	...	...	414
Gold from Mysore			
1882—1904	...	...	22 $\frac{1}{4}$
Total			556 millions sterling.

Speaking roughly, in the eighteenth century trade supplied India with 50 millions, most of which was carried off by Nadir Shah and others. From 1801 above 500 millions have been brought to India and remained there. Mr. Dada-bhai Naorojee calculated 455 $\frac{3}{4}$  millions: 1801—1884.

See "Poverty of India," p. 571.



A great difficulty arises in estimating the import of bullion into India during the eighteenth century.

The Abbe Raynal furnishes detailed information for France, England and Holland.

Milburn does so for all countries, but he nowhere supplies continuous statistics for long periods, as Raynal does, and he does not, as a rule, discriminate between the exports to India and China, which is fatal to exact figuring for India. Raynal's figures for France up to 1771 when the Company was abolished are clear and detailed: it is stated that Diderot assisted in the compilation.

For England Milburn supplies the following statistics; for convenience of comparison, I merely quote approximate figures in millions sterling.

Vol. I,  
XCII.

Company's exports	Bullion	Merchandise	Imports	(Sale price)
1708—1733	12½	3	33½	
1734—1765	16	8½	64½	
1766—1792	5¾	16½	101½	
1793—1801	3½	31	102¾	
	<hr/> 37½	<hr/> 59	<hr/> 302¼	

The first point is how much of this was sent to China; in another portion of his work Milburn gives the bullion sent to China, and it appears that during the eleven years from 1781—1791, out of a total export of £4,565,000 bullion £3,588,000 were for that empire. Further, out of the 3½ millions 1792—1801 above, 1¼ millions were sent to China.

Vol. II, p.  
475.

Vol. II, p.  
181-183.

I can find no other detail on this head in Milburn: this writer's statistics are scattered copiously but in haphazard fashion over two ponderous tomes, but from another source I get information for another decade.

Committee of House of Commons Report of 1773. From 1762-1771 the bullion exported was distributed as follows :—

£

China	...	...	1,378,000
Madras	...	...	1,271,000
Bengal	...	...	225,000
Bombay	...	...	58,000

---

Total ... 2,932,000

Adding together all our figures which cover thirty years of the century, it appears that out of eleven millions of bullion exported by the English Company above six millions were sent to China. The money was spent mainly in the purchase of tea, while the Chinese took cotton goods from Bengal and opium to a smaller value.

I should add that certain figures available rather favor a smaller proportion for China in the early part of the century. Raynal states that during the five years, 1713-1717, the bullion exports by the British Company were £2,299,632 and this amount was apparently all to Bengal; a comparison with Milburn who gives £2,148,351 as the total export for the same year to both India and China only enables us to say that at that time the export to China was very small, as the tea sales only averaged £150,000 annually.

It is perfectly clear, as the export of tea from China was very large and all in the hands of the Company, that at any rate from 1748 when the tax on tea was reduced, a great deal of bullion had to be sent to China. Let us suppose that one half the entire export was for China: our recorded figures show a larger proportion, and the result of the calculation will be that the Company from 1708 to 1801 sent only 19 millions bullion to India.

Now for the period 1701 to 1707. Raynal gives the entire amount of the Company's export to India at £650,000, so the bullion cannot have been above half a million, and the Company's export during the period 1701-1801 was 19½ millions. As for the other channels of export, the principal were the French and Dutch trade. For the former we have during a limited period, 1725-1761, for 46 years admirable statistics for which we have apparently to thank the great French economists.

The following are the figures for this period of 46 years.  
The bullion exported amounted to :—

Gold	...	...	13,442 marcs.
Silver	...	...	6,206,477

Now a gold marc was worth roughly £26 and a silver one £2, according to my calculation ; see marc in Century Dictionary. If that was the case, the total value of the bullion was  $12\frac{3}{4}$  millions sterling, the export of goods during the same time having been  $132\frac{1}{2}$  millions of livres Tournais, which at  $22\frac{1}{2}$  to the pound would be about  $5\frac{3}{4}$  millions sterling.

After 1771 the Company ceased to trade, though private individuals kept up a fitful and hazardous commerce.

From 1771 to 1778 this trade averaged as regards imports only  $10\frac{3}{4}$  millions livres as against  $13\frac{1}{2}$  millions of livres in the above period of 46 years. Calculating that the bullion export bore the same proportion as formerly, it is clear that there was not more than at most a million sterling during the eight years. From 1778 there was war with England till 1783, and again from 1793 till 1801. Milburn II,  
399.

Some statistics of the French trade are given in the Asiatic register for 1799–1800, but it is obvious that during the 101 years the French import of bullion cannot have been more than eight millions sterling. A curious feature is that up to 1754–1755 there was a considerable export of gold to India, amounting in that year to above one hundred thousand pounds: it then absolutely ceased during the remaining period of the French Company's trade.

As for the Dutch, they for the greater portion of this time carried on a most active and prosperous trade. We are told that during 170 years they earned an average dividend of 21 per cent. up to 1774 when the trade was thrown open. Unfortunately Raynal only gives the bullion exports for ten years—from 1720 till 1729: it amounted to  $65\frac{1}{2}$  millions of florins, or £600,000 per annum, with which they secured goods which they sold for  $188\frac{1}{2}$  millions florins or above 17 millions of pounds— $1\frac{1}{2}$  million per annum. We know what their sales were during 37 years of the century from Milburn; they were just about one million per annum, of which bullion would be £400,000; of this treasure at least two-thirds were for Java, Ceylon and the Spice islands; for their principal exports were tea, cinnamon, coffee and pepper, mostly derived from the islands, not from India. Vol. II., 378-  
380, 381  
Mill VI, 474.



It is clear then that their average export of bullion to India would be not more than £150,000 per annum, or at most say 13 millions during the period prior to the wars of the French revolution.

There was no heavy import of silver from China or other parts of Asia. China for instance forbade the export of silver. There was no other large source of bullion except the private trade including American, which was considerable in Calcutta at least after the trade was thrown open in 1793.

Milburn  
II, 127.

From 1795 to 1801, the private British trade was as follows in Calcutta, which then had three-fourths of the entire Indian Commerce :—

Exports to Bengal ...	Merchandise	16½ millions Rupees.
	Bullion	8¼.

The imports from Bengal in private trade were 53 millions of rupees' goods *and no treasure*.

We can see then that there was a net import of about one million by private trade during the period, and there was also no doubt much smuggling prior to the authorized opening of the private trade in 1793. We can also note the feature common to all trades—*export of bullion to India, but no import*.

Milburn  
II, 137.

America has to be considered still. From 1795 to 1801 the entire trade of Bengal with America was as follows :—

Import to	{ Goods	...	...	3½ millions rupees.
Bengal	{ Treasure	...	...	14¼.
Export	{ Treasure	...	...	Nothing.
	{ Goods	...	...	22¼.

America had then a bigger trade than all the continent of Europe put together ; the export consisted of piece-goods and sugar. The trade prior to 1795 was of trifling extent, but we may assume that during the period now considered two millions sterling were imported in bullion from America into India ; as usual, India when it received gold from America kept it.

Milburn I,  
375.

The trade of Denmark was comparatively small except in smuggling tea. The import of bullion from 1795 to 1801 was 1¼ millions of rupees, export as usual *nil*, and export of goods, 4¼ millions. During the forty years of their sales the total of Danish imports was only 7¼ millions sterling, if we allow the same proportion of bullion exported to goods



imported as the one above mentioned—19 to 7, the amount of bullion received from Denmark during the century was about  $2\frac{3}{4}$  millions sterling.

Some light is thrown on the import of bullion by bearing in mind that at particular periods its amount bore a certain proportion to the total imports: it was as follows:—Milburn I, 93.

1708–1733	bullion to goods was	4 to 1
1735–1765	„	2 to 1
1766–1792	„	3 to 1
1792–1809	„	4 to 1

and it is now, 1903, also about 4 to 1.

As for the comparative distribution of the trade between India and China the importance of the tea item should not be forgotten. While it is true that partly in the interest of her manufactures, England imposed heavy duties on Indian calicos imported to London, and pushed her own piecegoods into Indian ports at  $7\frac{1}{2}$  per cent. duty, it must be remembered that she gave India a monopoly of the opium trade with China, and gave the Company a monopoly of the tea trade also, from which India derived considerable benefit. The predominance of tea should be remembered. The entire sale amount of Company's import, from 1793 to 1809 was 103 million Milburn I, XCIV. £, and the exports from England were only 40 million £.

A spurious Indian patriotism has wasted declamation on this injustice to India; it was really China which contributed most largely to the 103 million £ 55 millions of tea; while India gave 26 millions piecegoods.

Further, it must be remembered that the 103 millions was the sale price in England, whereas the 40 millions was the cost price in England; the proper comparison of course is between the cost price in each country of the products belonging to both countries, which were mutually exchanged. We know that the total imports from China which form the larger portion of this 103 millions, namely 58 millions, only cost in China  $27\frac{1}{4}$  millions—a great deal less than one-half of the selling price.

Then we get valuable information from another House of Commons Report. In 1798 the total quantity of goods unsold amounted at cost price to £4,657,000, and their sale value in the English market, was £8,482,000. Applying the same proportion to the 103 millions total import it would appear that they cost 59 millions sterling in India and China. So the one country expended in goods and bullion 1808.  
Pp. 57, 61,  
63.

Dutt's  
Economic  
History,  
p. 47.

40 millions and the other 59 millions. This subject will, however, be further treated; it is only needful here to point out that all the statements made, for instance about India receiving £6,243,75 in goods and sending out £6,311,250, are untruths palpable and monstrous.

In order to consider this bullion matter and the balance of trade we must analyze the statistics more critically. It is not only difficult but impossible to reconcile the two sets of official figures—those given in Raynal, which are Sir Charles Whitworth's taken from the British Custom House, and Milburn's, which are the East India Company's, and purport to express the actual value of goods imported and exported.

Milburn I,  
LXVI.  
Mill's India,  
III, pp. 10,  
22, 75, 1

The matter becomes of interest because it is difficult to believe that the East India Company's figures which alone detail the bullion separately are correct for the period 1772–1784, thirteen years during which according to Milburn less than one quarter of a million of bullion was exported; particularly as the Whitworth-Raynal figures, so far as they go, contradict Milburn, and Mill slightly modifies both. I first place in parallel columns the exports in Raynal and Milburn for the same period.

	Goods.	Milburn. Bullion.	Total.	Raynal.
	£	£	£	£
1708-1733	... 3,065,000	1,218,000	15,254,000	2,857,000
1734-1765	... 8,435,000	16,081,000	24,516,000	19,410,000
1766-1773	... 4,178,000	1,021,000	5,199,000	8,472,000
	15,678,000	29,291,000	44,966,000	30,739,000

Now at first sight it would appear that possibly Raynal has left out China, and that his figures are for India alone, being entitled "les deux Indes."

But that cannot be, for Raynal's figures for the last period 1766–1773 are  $8\frac{1}{2}$  millions against Milburn's  $5\frac{1}{4}$ . It is obvious that if Raynal's are only for India they could not exceed the combined figures for China and India.

It would appear also possible that Raynal gives only the bullion export, because there is not a serious difference between his  $30\frac{3}{4}$  millions and Milburn's  $29\frac{1}{4}$ . In the first place Raynal, though he might omit the bullion, would certainly not omit the goods of which details are given for Holland and France.

History of  
India.

The key to the difficulty is found, I think, in Mill. He informs us that the official figures for the Indian trade

at the early period he refers to did not differ much from the actual figures, and he quotes Whitworth, who is Raynal's authority; he shows that the sales in 1745 were in reality £24,81,000, though according to Custom House books for duty purposes they were only £9,74,000—a matter of importance when considering the effect of heavy import duties in checking Indian manufactures; a 60 per cent. duty was really only 20 per cent. Vol. III, pp. 10, 22, 75.

But again he quotes the official figures for 20 years, 1706–1727, and he states them as below. I give the average for each year as follows from all three authorities:—

Goods..	Bullion.	
£	£	
92,288	442,000	... Mill.
114,852	453,931	... Milburn.
102,385	...	... Raynal.

1708-1727

Now as Mill quotes the official figures for other years which are practically identical with Raynal—Whitworth, and as for these years we find Mill quoting £92,288, the average for goods in addition to £442,000, for bullion, while Raynal gives £102,385 as his only figure, it is clear that Raynal meant this for goods alone.

I may make this clearer when I see Whitworth's tables detailed in the original. Meanwhile this is the only explanation which I can offer.

Mill knew of the discrepancy for individual years between the official, and East India Company's figures, but he stated that this was due to the official years commencing in different months, and that for a series of years the accounts agreed. Of course he is quite wrong under any reading. If Raynal's figures are for goods and bullion both, then how can Raynal's 23½ millions be harmonised with Milburn's 15½ of first period? If Raynal's are for goods only, then how can the 19½ millions of Raynal of second period harmonise with Milburn's 8½ millions? If Raynal's are for bullion only then how can Raynal's 8½ millions of the third period be made to agree with Milburn's one million. The fact is that the official values, Raynal or Whitworth, were differently calculated at different times for the export as indeed Mill indicates clearly enough.

Adding together the different imports of bullion from



1701 to 1801, after which the figures given by Montgomery Martin commence, we get as follows in millions sterling:—

From—Britain	...	...	19½
France	...	...	8
Holland	...	...	13
America	...	...	2
Holland	...	...	2¼
Private British trade	...	...	19
			<hr/>
Total	...	...	46½

It will be noticed that Milburn not once but on every occasion where he indicates large export of bullion to India mentions the imports as absolutely nothing or as very small sums.

The important matter is that during the eighteenth century India received by sea certainly less than 50 millions sterling of treasure, during the nineteenth century and up to date including the product of the Mysore mines and other local sources, not less than 450 millions sterling. A certain school of politicians has, on many occasions, in orations and voluminous monographs emphasised a very different view and declared that India is bleeding to death for the benefit of England.

Montgomery Martin after he lost his employment under Government, restoration to which he vainly strove for during long years, brought out many volumes, throughout which this line of thought is apparent.

During the last ten years many bulky volumes have been issued enforcing the same view. I will here deal with one much quoted passage:—

P. 47, 51.  
P. 177.

Mr. Dutt in his *Economic History of India* quotes Governor Verelst's figures from his "View of Bengal," that in 1766-67-68 the imports from Bengal were £624,375, the exports £6,311,250.

"In other words the country sent out about ten times what it imported," and he adds that "this economic drain from India of which Verelst complained continues to this day in an ever-swelling current," and "makes India a land of poverty and famine," which famines by "moderate calculation have carried off fifteen millions of people"

Preface VI. between 1877 and 1900.

I will deal first with the latter portion of the argument, *viz.*, that the economic drain continues till the present day.



The direct reverse of the above statement is the truth. It is true that in those three 1766-68 years there was very little bullion sent to Bengal; in that particular decade, 1762-1771, the import from England was as follows:—

In thousands of pounds.				House of Commons Report 1773.
China	...	...	1,378	
Madras	...	...	1,271	
Bengal	...	...	225	
Bombay	...	...	58	

But the tide turned at once almost though checked for a time by the famine of 1770. Bengal began to take tribute not from England only but from almost all the countries of the globe.

These are the bullion exports and imports of Bengal in lacs of rupees:—

	Imports.		Exports.	
1795-1801	...	392	0	Milburn II, 150.
1802-1806	...	645	19	
		<hr/> 1,037	<hr/> 19	

In other words a net import of above a thousands lacs in twelve years. The rupee was then worth half a crown, so the net economic drain was then nearly thirteen millions sterling, above one million per annum, but the drain was *into Bengal not out of it*. Calcutta sat as the Mogul on his throne, while nations like the United States from the furthest west and China from furthest east, placed their treasures in her lap, and do so up till date.

I now recur to the exact statement that in the three years 1766-1768,—

The imports from Bengal were	...	£ 624,375
The exports	...	£ 6,311,250

Mr. Dutt previously mentioned the “economic drain from Bengal which went on year after year for the profit of the Company” “or “their expenses,” and he gives the above figures because “in them the actual drain from Bengal is perhaps more correctly represented.”

The genius for falsification which is exhibited in these figures dwarfs that of Balfour, Whitaker Wright, and all the other fraudulent financiers combined.

We are told with a show of exactness down to a five-pound note, that the imports were £624,375, exports £6,311,250,

that the country thus sent out about ten times what it imported, and all this for the "profit of the Company."

It is rather difficult to select among the mass of untruths, which to begin with.

In the first place Mr. Verelst who succeeded Lord Clive as Governor, so far from giving the "actual state," as Dutt says, avowedly gives all his figures as a guess. The French, Dutch and Danes, he states, sent off so many ships which must have carried cargoes of such and such a value.

In this way he makes out that these three foreign nations in the three years must have sent away from the country  $2\frac{1}{2}$  millions sterling or to be exact £2,497,000.

That the French and Dutch handed over these  $2\frac{1}{2}$  millions for the profit of the English Company is a little fiction for which Mr. Dutt is alone responsible.

Similarly Mr. Verelst made a few other little guesses, he does not pretend that they are more; he says that the Dutch imported three millions worth of bullion, not sterling but rupees. The French and English he says did not import anything in the shape of bullion.

At the time he wrote probably the exact figures were not available otherwise why should he guess every item in the balance sheet. As a matter of fact he was quite wrong. The French and the English both had sent large sums.

Raynal's  
Cartes Des  
Indes.  
P. 13.

Raynal states the amount during the three years at 243,369 marcs for the French, the value was nearly half a million sterling. The bullion export by the English to Bengal is detailed in the official figures quoted in the House of Commons Report for 1773; they amount to £127,629. Mr. Dutt has often quoted this report. It appears then that the French and English had sent large amounts of bullion, and Verelst's guess that they had sent nothing was erroneous. So much for their payment, as to what was taken by these two nations, out of the country. Verelst is very nearly correct as regard the English and roughly correct as regards the French; in fact the only important mistake in his figures is concerning the bullion imports, and his remarks about Foreign European exports are utterly irrelevant in addition to being a mere guess. But his figures are not for imports and exports, as Mr. Dutt has described them; he expressly labels his imports as "bullion," he is only arguing about bullion, the entire burthen of his song is that bullion should

be sent to Bengal as well as to Madras and China, and he tries to prove this by asserting that "imports of bullion" were small. He says nothing about merchandise, goods or stores.

Dutt comes forth with fine patriotic fervor to prove that Bengal was being drained, so he quotes Verelst's rough guesses which were seriously wrong, and as it would not do to use Verelst's heading imports of "bullion," he leaves out the word bullion and quotes "imports" alone, half of the real heading, and he thus changes the comparison between bullion and exports to one between imports and exports. Not content with having wrongly included the  $2\frac{1}{2}$  millions in the sum which the Company took, he now excludes one or two millions from the other side of the balance sheet. Fortunately we have the figures by which to detect the fraud and make a nearly correct balance.

The Company it seems exported to Bengal, in these three years, goods to the value of £318,623 which Verelst did not refer to because he was only discussing bullion, and which Dutt excludes because it suits his indictment. House of Commons Report, 1773.

As for the French and Dutch they also exported large quantities of goods to the amount of  $14\frac{1}{2}$  millions of livres in the case of the former alone.

It will be fairer and better to leave out both the exports and imports of foreign Europe, as Mr. Dutt is discussing to use his own language the "drain from Bengal" for "the profit of the Company" or "for their expenses in other parts of the world," a matter on which the trade of foreign Europe, their rivals and commercial foes, had only a prejudicial effect; instead of swelling the Company's profit it lessened it. Raynal's Cartes des Indes.

This, however, is a minor falsification. Still another gross perversion of the truth has to be disclosed. In the  $6\frac{1}{4}$  millions derived from Bengal, Mr. Dutt includes from Verelst no less than £1,687,000 which had to be paid annually not to the English Company, but to the troops who were defending the country against Mahrattas and other foes, and to the Mogal Emperor under treaty.

The amount was large it is true, above half a million per annum, but it was for the defence of Bengal, Behar, and Orissa against the hordes of the North and West, in fear of whom the Bengalis had been crouching behind the Mahratta ditch, a short time before, it was not a large sum for a war budget out of  $2\frac{1}{2}$  millions of land revenue which



Report of  
1773.

Bengal was annually yielding. Further much of it was repaid from other sources; the official accounts show that £ 212,751 was received on account of these troops from the Nawab of Oudh in these very years. Mr. Verelst had not the official figures before him and left out this item. Mr. Dutt had the report of 1773 before him. But in any case these moneys were paid not to the Company for their profit or their expenses in other parts of the world, but to the Delhi emperor and to the troops of the Bengal army, for the very small garrison which was maintained to keep peace on the frontier. Of course far the greater part of the money paid to the troops was spent by them on the maintenance of their families in India and Bengal.

Obviously the entire amount of military credits and debits should be struck out of any balance sheet which purports to exhibit the imports and exports of Bengal. Mr. Verelst just like a treasury officer was pointing out that bullion was not being sent to Bengal as it was being poured into Madras. He had no figures before him, and in a letter he greatly exaggerated the evil, which he knew was only a temporary one.

The real facts were as follows as far as concerns the English and Bengal.

Bullion,  
Goods.

Exports from England.

Imports into England.

Bullion ... 127,629

£ 1,991,250.

Goods ... 318,623

— nearly half a million against  
£ 446,252 nearly two millions.

In these three years, quite exceptional years, very little money was sent to Bengal, but a great deal to Madras; the drain of gold and silver be it remembered even in these three years was not into England from India but the reverse; similarly France during these years was exporting bullion to a large amount to India, and not receiving any treasure in return.

But it is true that for some reason or other the export of treasure to India from England and France which had been very large during the last years of Alivardi Khan declined.

During the six years ending 1755 the French exported to India—

Gold marcs

12,207

Silver marcs

1,479,039

value about  $3\frac{1}{4}$  millions sterling.



During the six years after that date they only exported 291,000 marcs of silver, value £ 582,000, and no gold at all, nor did the Company even afterwards export gold.

This curious fact has not been referred to previously and is not easy to explain. During the 31 years before these three years, *viz.*, from 1734 to 1765, England had exported 16 millions sterling of treasure to the East and received none in return. Possibly one factor of the change was the wealth which Meer Jaffier after Plassey showered upon the conquerors. However this may be, it is quite clear that a series of fabrications has been employed in order to demonstrate that the exports were ten times the imports in these three years, and to support the assertion that the country was being drained of its wealth.

Milburn I,  
liii.

I may recapitulate briefly—

It is untrue that the  $2\frac{1}{2}$  millions worth of goods, exported by the French, Dutch and Danes were “for the profit of the Company and their expenses in other parts of the world.”

It is untrue that the amount of nearly two millions paid by the Company for the pay of the garrison or the tribute of the Great Mogul was sent out of the country for the profit of the Company.

It is untrue that the English and French sent no treasure into Bengal, for they sent 371 thousand pounds, though less than they had been sending previously.

It is untrue that the £624,375 quoted by Verelst represented the entire imports; that amount was of bullion alone.

It is untrue that the small proportion of imports to exports, which was a feature during these three years, has “continued to this day in an ever-swelling current and makes India a land of poverty and of famines.”

At this very time very large sums of treasure were being sent from England to Madras; shortly the current turned to Bengal, and during the century from 1801 to 1901 the Indian imports of treasures have exceeded the imports by about 450 millions sterling; in other words, Europe, America and China have poured that amount into the lap of India and it has stayed there.

This rank and tangled mass of fabrications which has been employed to defame England, to distort history and to create racial ill-feeling, looms large before every careful student of history. I have gone into detail in this instance, so that I may not only nail to the counter this

gross falsehood, but also exhibit its genesis, showing how untruths multiply in geometrical proportion, and with what tropical luxuriance falsehoods spring up.

All the other authorities which I have quoted were open to Mr. Dutt, London Professor of Indian History, and he himself has repeatedly in his economic history quoted the report of 1773, which contains correct figures.

Whoever supplied Mr. Dutt with the figures in his economic history has been guilty of numerous falsifications similar to the above.

The economist himself was not a wilful forger or fabricator, otherwise he would not have quoted the precise page of Verelst, which proves that his argument about import and export was puerile folly.

Milburn II, 180. I may conclude with the figures for Bengal bullion from 1802–1806 for five years in millions rupees.

Imports into Bengal.			Exports.
America	...	$26\frac{3}{4}$	$0\frac{1}{4}$
English Company	...	26	0
Private London	...	$4\frac{1}{2}$	0
Foreign Europe	...	$9\frac{1}{2}$	0
Asia	...	$23\frac{1}{2}$	$1\frac{3}{4}$
<hr/>			<hr/>
$90\frac{1}{2}!!!$			2 !!!

I quoted at the beginning of the chapter Mr. Dutt's charge that the economic drain for the profit of the English Company, and now of course for the benefit of us Britons, is sweeping off the poor people of India at the rate of fifteen millions in the last quarter of a century.

Surely a more fearful indictment against any nation was never made, or supported by more unblushing falsehood on the part of the compiler. In another work I pointed out how during several years in a number of publications Mr. Dutt, or whoever has concocted his figures, has made many other charges against the British administration of India, which are equally false with the above. For instance, at page 263, he states that during the period 1793–1811 the Company spent 25 millions on the purchase of Indian goods for sale in Europe, "without any commercial return." Mill whom he quotes in the same page for the same period, gives the Indian imports from England, the commercial return, at  $43\frac{3}{4}$  millions— $1\frac{3}{4}$  millions more than the exports, so another colossal untruth is disproved.

This teaching is mischievous, not only because it is dis-loyal and seditious, but also because it diverts the minds of the rising generation from patient patriotic labour for the good of their country to platform froth, to morbid dreams and ferments. Mr. Dutt has deliberately laboured to blacken the character of a Government which was just and liberal to him—one which pensions him.

Famine  
Truths, Half  
Truths and  
Untruths.

That an old man should continue in currish fashion to snarl and snap at the hand that feeds him, argues a high degree of original depravity. While he and his fellows continue their raving which seem acceptable to his countrymen, we may be sure that to Bengal, last of all provinces, self-government will be granted.

I do not ask the Indian student to turn over the ponderous volumes of Milburn, Raynal, Bruce. Mr. Dutt apparently has never seen one of them.

In the common almanacs they will find evidence of the prosperity of India: the net imports of treasure into India in the last five years, the balance of gold and silver which the people have kept after paying for the bloated services, for the ruinous railways, the darbars, wars and Simla pomps, have amounted to forty millions sterling: that is, just about the same amount is put by for a rainy day now in five years, which was received during the whole of the eighteenth century. Surely Indians and Englishmen can rejoice together over such cheering facts, and wait patiently for the still brighter day when the bounds of freedom shall be broadened.

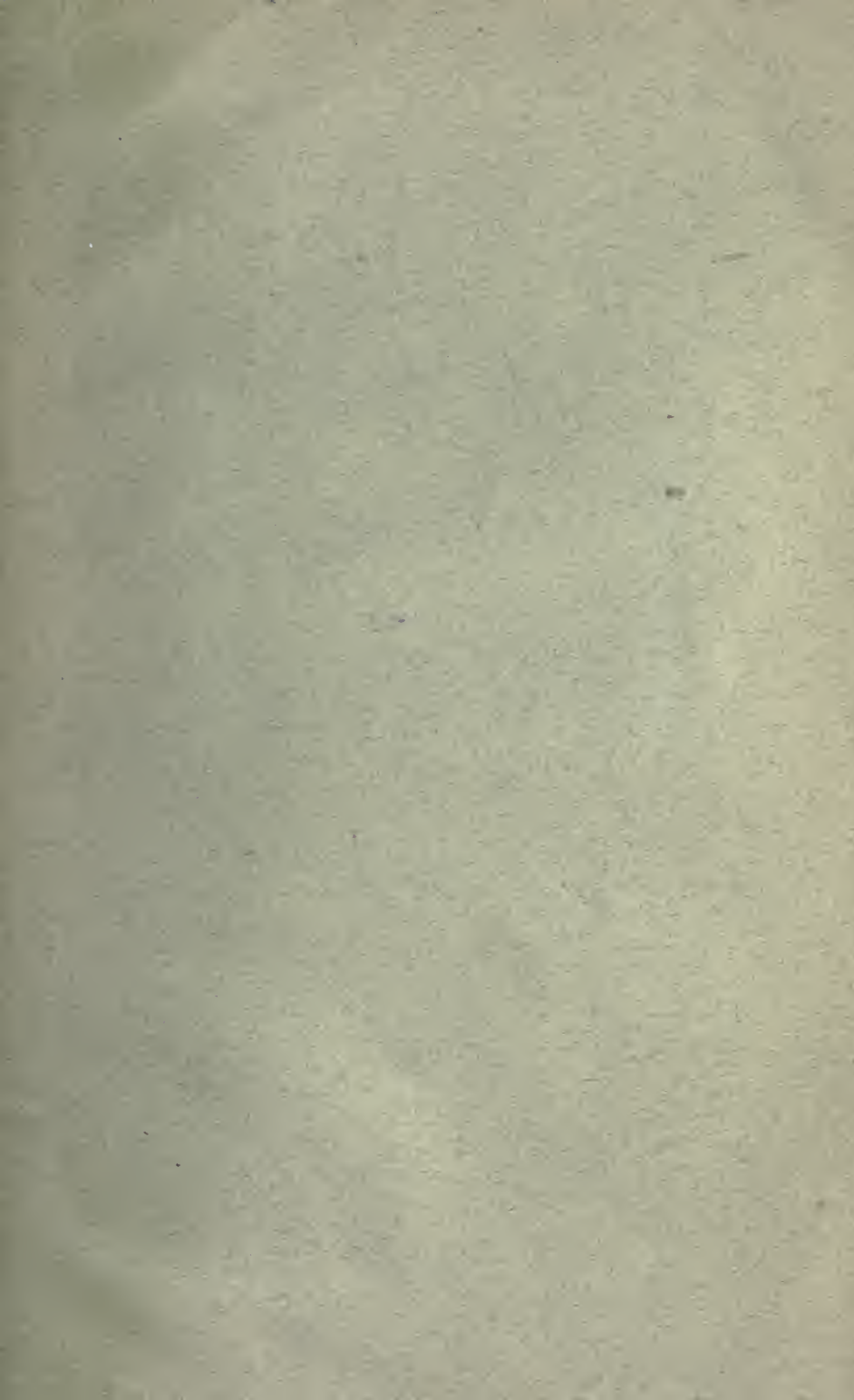
Whitaker  
p. 500.

In the chapter on tea and opium I point out how India gained, during the last century, about four millions per annum from the tea and opium trade—an amount far exceeding the meagre profits from piecegoods exports.

NOTE.—Since the above was printed I regret to hear that Mr. Dutt is very unwell. I should add in justice to a most laborious writer, that I do not charge him personally with the fraudulent figures, he has trusted to his compiler.







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